

REMARKS**Status of Claims**

The Office Action mailed August 24, 2005 has been reviewed and the comments of the Patent and Trademark Office have been considered. Claims 1-6, 11-16, 21, and 24-26 were pending in the application. Claims 1, 11, and 21 have been amended and no claims have been cancelled or newly added. Therefore, claims 1-6, 11-16, 21, and 24-26 are submitted for reconsideration.

This Amendment changes claims in this application. A detailed listing of all claims that are, or were, in the application, irrespective of whether the claim(s) remain under examination in the application, are presented, with an appropriate defined status identifier.

Rejection under §101

Claims 21 and 26 are rejected under 35 U.S.C. § 101 because the claimed invention is directed to non-statutory subject matter. Applicants have amended the claim 21 to clearly recite features that are within the technological arts. Applicants also note that the case law cited by the office action have been contradicted by the PTO's own appeals board (See Ex Parte Lundgren decision). Nevertheless, since the present application is in the technological arts, the present amendments have been made to more clearly reflect the nature of the invention. Accordingly, this rejection should be withdrawn both because it is erroneous and because the pending claims are clearly in the technological arts.

Rejection under §112, second paragraph

Claims 24-26 are rejected under 35 U.S.C. § 112, second paragraph, as being indefinite. The office action erroneously states that the parent claims excludes all bid information. In fact, the parent claims only exclude "bid information derived from an input received from any auction participants." Therefore, the bidding options recited in these claims clearly include other bid related information. For example, page 12 of the specification (in paragraph 41) discloses that other bid related information, for instance, the reserve price or the minimum bid increments or decrements which can be specified by an auction sponsor and which is clearly not derived from an input from any auction participant.

Accordingly, applicants believe that these claims are in definite form and meet the requirements of § 112, second paragraph.

Prior Art Rejections

In the Office Action, claims 1-6, 11-16, 21, and 24-26 are rejected under 35 U.S.C. § 103(a) as being unpatentable over U.S. patent application publication no. 2002/0120552 (hereafter “Grey”).

Each of the independent claims 1, 11, and 21 recite, *inter alia*, the auction sponsor (or server component) automatically generates a communication that causes a refreshing of a representation at a browser of an auction participant. This feature is not disclosed or suggested by Grey or any of the other prior art of record. Furthermore, applicants submit that each of the claimed limitations should be given patentable weight since they recite specific operation features of the claimed invention.

The assertion of inherency or obviousness based on a reference is improper when the applied prior art is at best silent with respect to specifically recited features. The Patent Office (PTO) has the burden of proving each of the claimed features is shown by the prior art. An allegation that claimed subject matter is “obvious” (as here alleged) requires a positive, concrete teaching in the prior art, such as would lead a person skilled in the art to choose the claimed combination from among many that might be comprehended by broad prior art teachings. The PTO’s review court has made it very clear that silence in a reference is hardly a substitute for clear and concrete evidence from which a conclusion of obviousness might justifiably flow. See, e.g., *Application of Burt*, 356 F.2d 115, 121 (CCPA 1966).

If, on the other hand, the PTO intended to indicate that this feature was somehow inherent in the cited reference, it should be noted that the standard for inherency requires that the feature be *necessarily present* in the prior art and not simply that it may occur or be present, i.e., be broadly included in a general or non-specific prior art teaching. See MPEP 2112 and the cases cited therein including *In Re Rijckaert*, 9 F.3d 1531, 1534 (Fed. Cir. 1993) (reversed rejection because inherency was based on what would result due to optimization of conditions, not what was necessarily present in the prior art); *In re Oelrich*, 666 F.2d 578, 581-82 (CCPA 1981) (to establish inherency, the extrinsic evidence must make

clear that the missing descriptive matter is necessarily present in the thing described in the reference, and that it would be so recognized by persons of ordinary skill).

Accordingly, applicants respectfully submit that the pending independent claims are patentable over the applied prior art.

The dependent claims are also in condition for allowance for at least the same reasons, as discussed above, as the independent claims on which they ultimately depend. In addition, they recite additional patentable features when considered as a whole.

Conclusion

Applicants respectfully request entry and reconsideration of the instant amendment and reply because it is believed to place the application in condition for allowance. If there are any questions regarding the application, or if an examiner's amendment would facilitate the allowance of one or more of the claims, the examiner is courteously invited to contact the undersigned attorney at the local telephone number below.

Should additional fees be necessary in connection with the filing of this paper, or if a petition for extension of time is required for timely acceptance of same, the Commissioner is hereby authorized to charge deposit account No. 19-0741 for any such fees; and applicants hereby petition for any needed extension of time.

Respectfully submitted,

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